

Assembly Bill No. 439

CHAPTER 210

An act to amend Section 5008 of the Penal Code, relating to prisoners.

[Approved by Governor August 1, 2008. Filed with
Secretary of State August 1, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 439, Ma. Inmates: funds.

Existing law requires the Secretary of the Department of Corrections and Rehabilitation to deposit any inmate funds in his or her possession in trust with the Treasurer. However, upon written authorization by an inmate, and subject to the approval of the Department of Finance, the secretary may deposit those funds in interest-bearing accounts or invest or reinvest the funds in any of specified securities and for the purposes of deposit or investment may only mingle the funds of any inmate with the funds of other inmates.

This bill would delete the above requirement that an inmate give specific authorization for, and that the Department of Finance give approval for, any deposit, investment, or reinvestment of those funds. The bill would also require the secretary to deposit those funds in interest-bearing accounts or invest or reinvest the funds in any of specified securities.

Existing law also requires the Secretary of the Department of Corrections and Rehabilitation to deposit the interest or increment accruing on those funds in the Inmate Welfare Fund and to deposit the interest or increment accruing on the funds of a parolee in his or her account.

This bill would delete the above provisions. The bill would instead specify that any interest or increment accruing on those funds, less expenses incurred in the investment, would be deposited in individual inmate or parolee trust accounts on a proportional basis depending on the amount of funds each individual inmate or parolee account has on deposit. The bill would also make technical, nonsubstantive changes to those provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 5008 of the Penal Code is amended to read:

5008. The Secretary of the Department of Corrections and Rehabilitation shall deposit any funds of inmates in his or her possession in trust with the Treasurer pursuant to Section 16305.3 of the Government Code. However, the Secretary of the Department of Corrections and Rehabilitation, shall deposit those funds of inmates in interest-bearing bank accounts or invest or reinvest the funds in any of the securities that are described in Article 1

(commencing with Section 16430) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code and for the purposes of deposit or investment only may mingle the funds of any inmate with the funds of other inmates. Any interest or increment accruing on those funds, less expenses incurred in the investment, shall be deposited in individual inmate or parolee trust accounts on a proportional basis depending upon the amount of funds each individual inmate or parolee account has on deposit.